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Amendment and/or Response
Reply to Office action of 8 March 2004

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## REMARKS / DISCUSSION OF ISSUES

Claims 1-14 are pending in the application.

The Office action rejects:

claims 1, 6, and 11 under 35 U.S.C. 103(a) over Wang (USP 5,251,315),

Benson (USP 5,935,246), and Beker et al. (USP 4,890,323, hereinafter Beker);

claims 2, 4-5, 7, 9-10, and 12-14 under 35 U.S.C. 103(a) over Wang, Benson,

Beker, and Davis (USP 5,568,552); and

claims 3 and 8 under 35 U.S.C. 103(a) over Wang, Benson, Beker, and Bereiter (USP 5,754,763).

The applicant respectfully traverses these rejections.

In claim 1, upon which claims 2-5 depend, the applicant claims a method for limiting copies of content material that includes:

"communicating a security challenge to the receiving device when the copy of the content material is communicated to the receiving device, and

receiving a security response, based on the security challenge, from the receiving device when the copy of the content material is removed from the receiving device."

In claim 6, upon which claims 7-10 depend, the applicant claims a check-out/check-in device that includes:

"an encryptor that is configured to provide a security challenge to a receiving device of the one or more receiving devices when the catalog controller provides a copy of the content material to the receiving device, and

a return verifier that is configured to: receive a security response from the receiving device when the copy of the content material is removed from the receiving device..."

In claim 11, upon which claims 12-14 depend, the applicant claims a receiving device that:

"receives content material and a corresponding security challenge from a checkout/check-in device, comprising ...

a security device that is configured to: ... communicate a security response to the check-out/check-in device, based on the security challenge that is associated with the content material."

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In each of the above rejections, the Office action cites the combination of Wang, Benson, and Beker for teaching the communication of a security challenge to the receiving device when the content material is communicated to the receiving device, and receiving a security response from the receiving device when the content material is removed from the receiving device.

The Office action acknowledges that Wang does not disclose communicating a security challenge to the receiving device when the content material is communicated to the receiving device, and does not disclose receiving a security response from the receiving device when the content material is removed from the receiving device.

The Office action further acknowledges that the combination of Wang and Benson does not disclose communicating a security challenge to the receiving device when the content material is communicated to the receiving device, and does not disclose receiving a security response from the receiving device when the content material is removed from the receiving device.

The Office action asserts that "Beker teaches a system that provides a response to a challenge in a challenge-response system when the content material (i.e. message) is returned from the receiving device" (Office action, page 4, lines 17-19). The applicant respectfully disagrees with this characterization of Beker. Beker's device 1 contains a message. Before communicating the message, Beker's device 1 issues a challenge to device 2, and device 2 communicates a response to device 1. Beker's device 2 communicates this response independent of the message at device 1; it does not communicate this response when the content material/message is returned. There is no content material/message being returned from Beker's receiving device 2, and thus the Office action's characterization of Beker is not correct.

Because neither Wang, nor Benson, nor Beker, individually or collectively, teaches or suggests communicating a security challenge to the receiving device when the content material is communicated to the receiving device, and receiving a security response from the receiving device when the content material is removed from the receiving device, as claimed in each of the applicant's independent claims, the applicant respectfully request the Examiner's reconsideration of the above rejections over Wang, Benson, and Beker.

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In view of the foregoing, the applicant respectfully requests that the Examiner withdraw the rejections of record, allow all the pending claims, and find the application to be in condition for allowance. If any points remain in issue that may best be resolved through a personal or telephonic interview, the Examiner is respectfully requested to contact the undersigned at the telephone number listed below.

Respectfully submitted,

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